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Speth Addresses the Council on Foreign Relations on the Need to Support Development Cooperation

UNDP Administrator James Gustave Speth addressed the Council on Foreign Relations in New York on 22 March. He spoke on the importance of continued development assistance by the United States, and on the perils that now confront international development cooperation. "We need a new and more comprehensive framework for development cooperation, and within this framework we need more official development assistance, not less, whatever the current mood might be. And the mood is certainly not positive now," Mr. Speth said.

The Council on Foreign Relations is a non-profit and non-partisan organization dedicated to improving the understanding of US foreign policy and international affairs. Since 1922 it has published the pre-eminent journal *Foreign Affairs*, and its central goal remains the study and dissemination of information on US foreign policy issues.

In his address, Mr. Speth made a strong case for the need for continued and increased development assistance, directing many of his remarks to the United States in particular, which is currently debating its foreign aid and

development assistance allocations.

"Official development assistance is essential to launch, nourish and sustain an important new framework for development cooperation. In today's incredibly inequitable world, the rich countries have limited credibility and potential for leadership unless they put their money where their mouths are — and that goes particularly for the United States," Mr. Speth said. "The policies the US adopts today, in the wake of the Cold War — with regard to ODA, the developing world and the United Nations —

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UNDP in Pilot Environmental Awareness Campaign for Viet Nam

UNDP Hanoi has helped to launch Viet Nam's first environmental awareness campaign in an effort to halt the degradation of the country's environment.

The four-week media campaign, jointly launched with the Vietnamese Youth Union, got underway earlier this year. It uses a combination of television

and radio spots and newspaper advertisements to spread the message that every Vietnamese citizen has a responsibility for helping to protect and preserve the environment, since the country's well-being and future depend on it. In addition, posters and brochures explaining the importance of environmental protection are being widely distributed in schools, villages, and markets. The slogan of the campaign is "Whether our country is green, clean



General Vo Nguyen Giap and UNDP's Resident Representative in Viet Nam, Roy Morey, plant a tree to launch the environmental awareness campaign.

and beautiful or not is up to you!"

The media campaign is part of a

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these are defining decisions for the United States. They will define what values the country stands for. It is important for the US to be having this fight about its international commitments; it is even more important that we win it."

Mr. Speth went on to describe how ODA is an essential part of the "cost-share" needed for global compacts that address global priority objectives. He stressed that ODA is an essential resource for capital-starved countries that need to build their capacities to carry out adjustment programmes and to mitigate their often harsh effects. It is essential, Mr. Speth said, in order to build the capacities of poorer countries, to take advantage of international investments and to prevent, cope and recover from crises.

The UNDP Administrator called for a new development cooperation framework that should seek not only to generate growth but to distribute its benefits equitably. "It should empower people politically and economically, not marginalize them. It should provide job-led growth, not job-less growth; it should advance women, not keep them in their place." These have not been the predominant goals of development policy or assistance in the past, Mr. Speth explained, which is why "the world today is in so much trouble".

While there have been successes in the area of human development, Mr. Speth said emphatically that desperation and devastation still remain the lot of most people. "Some 1.5 billion people in UNDP's 173 programme countries still live in poverty, and the conditions for twice that many are deplorable, with 13.18 million — mostly children — dying from hunger and poverty-related causes each year. While no one would attribute today's problems solely to underdevelopment, it is surely part of the disease, and development — sustainable human development — must always be part of the cure.

"Without sustained progress towards a more equitable world, growing poverty and joblessness, population pressures and the decline of environmental resources will breed despair and instability and will imperil our world," Mr. Speth said. "These challenges cannot be met without continued international cooperation for development, and without new and additional resources for development assistance."

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broader environmental awareness programme by UNDP which identifies 14 priority projects with a total value of US\$1,285,000 to be implemented over the next two and a half years. The overall goal is to assist the Government of Viet Nam in its aim of furthering environmental protection and sustainable development throughout the country.

The effort is aimed mainly at Viet Nam's youth, who make up almost half of the country's population. Some of Viet Nam's most popular public figures have thrown their weight behind the campaign. They include General Vo Nguyen Giap, a war hero, who will be the campaign's senior spokesperson; Miss Nguyen Thu Thuy, the reigning Miss Viet Nam; and Mr. Tran Binh Mirth, a popular television commentator.

The campaign is seen as a much needed effort because the protection of Viet Nam's environment has become an urgent issue. The country is facing problems of polluted rivers, dwindling forests, inadequate sanitation and urban pollution.

The biggest casualty has been Viet Nam's lush forests, which once covered 75 per cent of the country's land area. Now barely 23 per cent of the country is forested. Careless deforestation by people eager to exploit Viet Nam's natural resources for financial gain has inadvertently resulted in additional environmental problems, such as severe flooding

due to soil erosion and degradation of the water-table. Destruction of the forests has also wiped out species of wild animals.

The hygiene of the living environment of Viet Nam's people is another urgent issue being addressed by the campaign. The living conditions of large numbers of Vietnamese are contaminated by industrial wastes, random use of chemicals and the consequences of war. Air quality is rapidly deteriorating as more and more Vietnamese switch from bicycles to gasoline-powered vehicles like motorcycles and cars.

Public awareness and concern for these issues remain generally very low. But UNDP and the Viet Nam government authorities hope that the campaign will make an important contribution to changing this situation.

UNDP's overall assistance in the area of environment and natural resources management in Viet Nam involves a programme approach which focuses on three main objectives: the sustainable management of natural resources, a reduction of natural disasters and the promotion of environmentally-sound investments and policies.

UNDP Conference Examines the Privatization Experience in Latin America

UNDP's Regional Bureau for Latin America and the Caribbean and its Private Sector Development Programme, along with the United Nations Department for Development Support and Management Services and the Government of Argentina, organized the first regional conference on the impact of privatization programmes in Latin America. The conference, held in Buenos Aires from 20-22 March, examined some of the lessons of Latin America's privatization experience and considered future policies from which

governments might benefit. Participants included government officials from 16 countries in Latin America and the Caribbean, as well as representatives of Bulgaria, Poland, Romania and Russia. Participants also included representatives from the private sector, multilateral institutions and the UN system.

Panelists from Argentina, Brazil and Chile — which are countries in the region that have virtually completed numerous privatizations — spoke openly about their successes and failures. Countries such as Bolivia, Nicaragua, Panama and Peru, which are among those in the beginning stages of the process, sought to benefit from the experience of others, and to improve upon related policies and frameworks. Key aspects to successful privatization, such as promoting competition, regulatory issues, social safety nets and perspectives for the future, were heatedly discussed.

An important consensus that emerged during the conference was that in the 1990s privatization will continue to be an essential element of the Latin American economic strategy, which includes a stable macro-economy, a stable political regime and a stable legal and regulatory environment. Panelists emphasized the importance of promoting competition and limiting regulations. Many endorsed the prescription, "competition where possible, regulation where necessary".

Another important conclusion was that privatization decisions should be based primarily on sound and efficient strategies rather than on financial incentive. An example underscoring this point was the sale of banks in Mexico to the highest bidder rather than to the most qualified bidder, which contributed to and exacerbated the Mexican crisis. A general recommendation was that bidders should be pre-qualified, after which the highest bidder might be preferred.

Arturo Hein Caceres, UNDP Resident Representative in Argentina, said that

privatization should be instrumental in achieving higher levels of sustainable human development. He argued that since privatizations have reduced fiscal pressures, increased funds could be available for social programmes. Mr. Ji Chaozhu, Under-Secretary-General for the UN Department for Development Support and Management Services, emphasized the need for safety nets to counter the often harsh effects of privatization programmes on the employment rate.

UNDP has supported economic restructuring programmes involving liberalizations and privatization in 80 countries. In Latin America, UNDP is involved in helping governments in making their public sector more efficient and in privatizations in Argentina, Bolivia, Brazil, the Dominican Republic, Ecuador, Guyana, Nicaragua, Panama and Peru.

UNDP Administrator Urges Bold Action at Global Climate Conference

UNDP Administrator James Gustave Speth urged delegates to the Berlin Climate Change Conference not to allow progress on the Convention to be blocked by a stand-off among the developing countries, the industrialized countries, and the oil-producing countries. Hundreds of government officials and political leaders met in Berlin on 28 March - 7 April for the first post-Earth Summit ministerial meeting on the UN Framework Convention on Climate Change.

"All countries have an obligation to act, and a role to play, in achieving the clearly stated goals of this Convention," said Mr. Speth. "OECD countries, however, have an obligation to act first and most."

At the 1992 Earth Summit in Rio de Janeiro, governments vowed to intensify study of the "greenhouse gases" that

are believed to accelerate the earth's warming. A number of industrialized countries agreed to try to cut back carbon dioxide emissions by the year 2000.

Mr. Speth said that the Berlin Conference could be a milestone — the place and the time when the implementation of the Convention became a reality. He offered delegates four tests by which to judge whether or not this had occurred.

First, there needs to be a clear and unambiguous recommitment on the part of the industrial countries to return their climate-threatening emissions to 1990 levels by the year 2000.

Second, there needs to be a clear and unambiguous commitment to negotiate, without delay, a protocol yielding a significant global reduction in climate-altering emissions, particularly of carbon dioxide, by a defined date early in the next century.

Another key test is the establishment of a workable system so that the machinery supporting the Convention will be in place to respond in the years ahead. At a minimum, this machinery should include workable rules of procedure and a Secretariat that is adequately staffed and budgeted to process information on country emissions and actions.

The fourth test is that there be sufficient attention to the need for development assistance so that the developing countries can receive adequate technical assistance, financing and access to technology.

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